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AUG 29 1997

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Request of Limited Modification of)
LATA Boundaries to Provide ELCS)
Between the Murchison)
exchange and the Lindale-Swan and)
Tyler exchanges.)

96-159

DOCKET FILE COPY ORIGINAL

PETITION

I. INTRODUCTION

Southwestern Bell Telephone Company (SWBT), pursuant to Section 3(25) of the Communications Act of 1934, as amended,¹ and in accordance with the guidelines established in the Commission's Memorandum Opinion and Order (MO&O) released July 15, 1997 in CC Docket No. 96-159,² hereby makes application for a limited modification of LATA boundaries to provide ELCS between the Murchison exchange and the Lindale-Swan and Tyler exchanges.

II. SUPPORTING INFORMATION

As prescribed in paragraph 23 of the aforementioned Commission MO&O, SWBT provides the following information in support of its application:

1. Type of service: Flat-rate, non-optional Expanded Local Calling (ELC);

¹ The Communications Act of 1934, as amended, 47 U.S.C. *et al.*

² Memorandum Opinion and Order, Petitions for Limited Modification of LATA Boundaries to Provide Expanded Local Calling Service at Various Locations, CC Docket No. 96-159, released July 15, 1997. By way of this MO&O the Commission adopted a format for and criteria under which such petitions would be granted. The format and criteria are detailed in paragraphs 23 and 24.

2. Direction of service: Two-way;
3. Exchanges involved: Murchison in the Dallas, TX LATA, Lindale-Swan in the Longview, TX LATA and Tyler in the Longview, TX LATA;
4. Name of carriers: Murchison of Sprint/United/Centel Telephone, Lindale-Swan of Southwestern Bell Telephone and Tyler of Southwestern Bell Telephone;
5. State commission approval(s): See Attachment A;
6. Number of access lines or customers: Murchison has 1,216 access lines, Lindale-Swan has 7,315 access lines and Tyler has 76,784 access lines;
7. Usage data: Usage data is not available to Southwestern Bell Telephone. SWBT does not currently carry traffic across LATA boundaries;
8. Poll results: Percentage of Murchison customers returning ballots who voted in favor of ELC to Lindale-Swan: 72.90. Percentage of Murchison customers returning ballots who voted in favor of ELC to Tyler: 90.50. Where SWBT is the petitioning exchange, there is no proposed rate increase. Where SWBT is not the petitioning exchange, SWBT does not have information as to any proposed rate increase.
9. Community of interest statement: The Public Utility Commission of Texas includes a Community of Interest Finding in their Order(s). See Attachment A.
10. Map: See Attachment B; and,
11. Other pertinent information: None

III. *PRIMA FACIE* SHOWING

SWBT believes that it has made a *prima facie* case supporting grant of the proposed modification because the instant ELCS petition (1) has been approved by the state commission; (2) proposes only traditional local service (i.e., flat-rate, non-optional ELCS); (3) indicates that the state commission found a sufficient community of interest to warrant such service; (4) documents this community of interest through such evidence as poll results and descriptions of the communities involved; and, (5) involves a limited number of customers or

access lines. These requirements for a *prima facie* case are detailed in the aforementioned Commission MO&O paragraph 24.

IV. CONCLUSION

Wherefore, SWBT request that the Commission approve its application for a limited modification of LATA boundaries to provide ELCS between the Murchison exchange and the Lindale-Swan and Tyler exchanges.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

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AUGUST 29, 1997

DOCKET NO. 13835

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE	§	
MURCHISON EXCHANGE TO THE	§	OF TEXAS
EXCHANGES OF LINDALE-SWAN AND	§	
TYLER	§	

ORDER NO. 8**DOCKET NO. 14151**

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE IRENE	§	
EXCHANGE TO THE EXCHANGE OF	§	OF TEXAS
CORSICANA	§	

ORDER NO. 7**DOCKET NO. 14160**

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE BEN	§	
WHEELER EXCHANGE TO THE	§	OF TEXAS
EXCHANGE OF TYLER	§	

ORDER NO. 8**DOCKET NO. 14250**

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALING SERVICE FROM THE MONTALBA	§	
EXCHANGE TO THE EXCHANGE OF	§	OF TEXAS
TYLER	§	

ORDER NO. 4**DOCKET NO. 14256**

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE KOPPERL	§	
EXCHANGE TO THE EXCHANGE OF	§	STATE OF TEXAS
MERIDIAN	§	

ORDER NO. 5

DOCKET NO. 13835
DOCKET NO. 14151
DOCKET NO. 14160
DOCKET NO. 14250
DOCKET NO. 14256
DOCKET NO. 14465
DOCKET NO. 14310

ORDER NO. 8
ORDER NO. 7
ORDER NO. 8
ORDER NO. 4
ORDER NO. 5
ORDER NO. 5
ORDER NO. 3

DOCKET NO. 14465

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE JARRELL	§	
EXCHANGE TO THE EXCHANGES OF	§	OF TEXAS
BELTON AND TEMPLE	§	

ORDER NO. 5

DOCKET NO. 14310

PETITION FOR EXPANDED LOCAL	§	PUBLIC UTILITY COMMISSION
CALLING SERVICE FROM THE CHICO	§	
EXCHANGE TO THE EXCHANGE OF	§	OF TEXAS
BOWIE	§	

ORDER NO. 3
DIRECTING LOCAL EXCHANGE COMPANY
TO FILE FOR LIMITED MODIFICATION

On July 28, 1997, the Commission Staff recommended that, Southwestern Bell Telephone Company (SWBT), in light of the recent Federal Communications Commission (FCC) order addressing the procedures for SWBT to request limited modifications of local access and transport area (LATA) boundaries for the provision of expanded local calling service (ELCS), file a request with the FCC, within thirty days of the effective date of this order, in accordance with the procedures outlined *In the Matter of Petitions for Limited Modification of LATA Boundaries to Provide Expanded Local Calling Service (ELCS) at Various Locations*, CC Docket No. 96-159, FCC 97-244, (rel. July 15, 1997) *Memorandum Opinion and Order*, §§ 23 & 24.

A community of interest has previously been established in these cases and a waiver request was filed by SWBT with the Department of Justice under the *Modified Final Judgment*.

DOCKET NO. 13835
DOCKET NO. 14151
DOCKET NO. 14160
DOCKET NO. 14250
DOCKET NO. 14256
DOCKET NO. 14465
DOCKET NO. 14310

ORDER NO. 8
ORDER NO. 7
ORDER NO. 8
ORDER NO. 4
ORDER NO. 5
ORDER NO. 5
ORDER NO. 3

SWBT shall file within 30 days of the effective date of this order, a request for limited modification of the LATA boundaries. Additionally, within 10 days of the receipt of orders or notices from the FCC relating to these petitions, SWBT shall file such orders or notices with the Commission.



ISSUED BY THE OFFICE OF POLICY DEVELOPMENT
ON BEHALF OF THE PUBLIC UTILITY COMMISSION OF TEXAS
ON THE 31st DAY OF JULY, 1997

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SUB
DOCKET NO. 13835PETITION FOR EXPANDED LOCAL
CALLING SERVICE FROM THE
MURCHISON EXCHANGE TO THE
TYLER, LINDALE, VAN,
AND WHITEHOUSE EXCHANGES§
§
§
§
§PUBLIC UTILITY COMMISSION
OF TEXASORDER NO. 7
ORDER OF SEVERANCE

PROJECT NO. 14935

PETITION FOR EXPANDED LOCAL
CALLING SERVICE FROM THE
MURCHISON EXCHANGE TO THE
VAN AND WHITEHOUSE EXCHANGES§
§
§
§ORDER NO. 1
ESTABLISHING PROJECT AND PROCEDURAL SCHEDULE

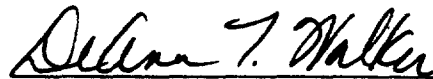
On September 2, 1994, a petition for expanded local calling service (ELCS) from the Murchison Exchange to the Tyler, Lindale, Van, and Whitehouse Exchanges was filed pursuant to P.U.C. SUBST. R. 23.49(c). The petition was assigned Project No. 13395. The Murchison Exchange is in the Dallas Local Access and Transport Area (LATA) and the Tyler, Lindale, Van, and Whitehouse Exchanges are in the Longview LATA. Federal court orders prohibit Southwestern Bell Telephone Company (SWB) and GTE Southwest, Inc. (GTE) from providing service across the LATA boundary. Consequently, on October 5, 1994, Order No. 1 docketed this petition so that the Commission could formally process the interLATA petition and issue an interim order to allow SWB and GTE to seek waivers from Judge Harold H. Greene.

On August 8, 1995, an interim order of the Commission became effective. The interim order found that a community of interest exists between the exchanges and directed GTE and SWB to seek a waiver from Judge Greene. On October 12, 1995, Judge Greene issued an order that permits GTE and Contel to carry traffic between the exchanges. Judge Greene has not yet ruled on SWB's request.

In order to process the portion of this petition that has been granted a waiver, the request for ELCS from the Murchison Exchange to the Van and Whitehouse Exchanges is **SEVERED** from Docket No. 13835. It shall be processed as Project No. 14935 captioned *Petition for Expanded Local Calling Service from the Murchison Exchange to the Van and Whitehouse Exchanges*. The attached procedural schedule establishes the relevant deadlines for this project. In the future, Docket No. 13835 shall be captioned *Petition for Expanded Local Calling Service from the Murchison Exchange to the Tyler and Lindale Exchanges*.

SIGNED AT AUSTIN, TEXAS the 31st day of October, 1995.

PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER
ADMINISTRATIVE LAW JUDGE

DOCKET NO. 13835

PETITION FOR EXPANDED LOCAL
CALLING SERVICE FROM THE
MURCHISON EXCHANGE TO THE
TYLER, LINDALE, VAN,
AND WHITEHOUSE EXCHANGES

§
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PUBLIC UTILITY COMMISSION
OF TEXAS

INTERIM ORDER

On behalf of the Public Utility Commission of Texas (Commission) the Administrative Law Judge (ALJ) finds that this docket is based on a evidentiary record and has been processed in accordance with applicable statutes and Commission rules. There were no disputed issues in this petition.

The following findings of fact and conclusions of law are **ADOPTED**:

Findings of Fact

1. The expanded toll-free local calling service (ELCS) petition that is the subject of this Interim Order requests non-optional "to and from calling" between the Murchison Exchange and the Tyler, Lindale, Van, and Whitehouse Exchanges.
2. The processes for petitioning and balloting included notice that the service would have a fee of up to \$3.50 for residential and \$7.00 for business customers on a non-optional basis.
3. Judge Harold H. Greene established the LATA boundaries for Southwestern Bell Telephone Company (SWB) in the Modified Final Judgment, *United States v. AT&T*, 552 F. Supp. 131 (D.D.C. 1982) and *United States v. Western Elec. Co., Inc.*, 569 F.Supp. 990 (D.D.C. 1983), and for GTE Southwest, Inc. and Contel of Texas, Inc. (collectively GTE) in the Decree, *United States v. GTE Corp.*, 1985-1 Trade Cas (CCH) §66,355 (D.D.C. 1985). (The collective orders of Judge Greene will hereinafter be referred to as MFJ.)

4. A LATA is a geographic area in which SWB and GTE can provide telecommunication services within its boundaries. In the MFJ, Judge Greene restricted the two local exchange carriers from providing interLATA transport. In order for the companies to span the LATA boundaries established by the MFJ, they must obtain a waiver from Judge Greene.
5. Judge Greene has relied upon the following issues for SWB or GTE to obtain a waiver of the MFJ: impact on competition; whether the calling plan has the attributes of a long distance toll call; and whether a community of interest exists between the two exchanges.
6. On October 19, 1993, the Commission amended P.U.C. SUBST. R. 23.49 by adding a section pertaining to ELCS in accordance with Senate Bill 632, (Act of May 11, 1993, 73rd Leg. R.S., ch.271, 1993 Tex. Sess. Law Serv. 1276 (Vernon))(to be codified as an amendment to TEX. REV. CIV. STAT. ANN., Art. 1446c, § 93A) and § 93A of the Public Utility Regulatory Act (PURA), Tex. Rev. Civ. Stat. Ann. art. 1446c (Vernon Supp. 1994). The rule became effective on December 7, 1993.
7. The statute and the rule referred to in Finding of Fact No. 6 provide certain requirements for petitioning exchanges to meet in order to receive ELCS. One such requirement is a showing of a community of interest.
8. In recommending approval of various waivers before Judge Greene, the Department of Justice (DOJ) has relied upon an affirmative finding of the Public Utility Commission of Texas that a community of interest exists between two exchanges, often based on a vote of the responding subscribers and whether the two exchanges share such needs as local governments, employment, shopping, and use of educational and medical services.
9. An affirmative vote of 70 percent of the subscribers responding to the ballot is necessary for an ELCS petition to proceed at the Commission. The percentage of affirmative votes from those subscribers returning ballots is a compelling showing of a community of interest. This factor can and should be considered with the same weight as other factors, such as the sharing of local government, schools, employment, and commercial centers.

10. On September 2, 1994, the Murchison Exchange filed a petition for ELCS between it and the Tyler, Lindale, Van, and Whitehouse Exchanges.

11. The Murchison Exchange is served by Sprint/United Telephone Company Inc. (United), and it is in the Dallas LATA. The Tyler and Lindale Exchanges are served by SWB, and are in the Longview LATA. The Van Exchange is served by GTE, and is in the Longview LATA. The Whitehouse Exchange is served by Contel of Texas, Inc. (Contel), and is in the Longview LATA.

12. The parties to the proceeding are the petitioning Murchison Exchange, United, GTE, SWB, and General Counsel. A hearing on the merits was not held because there are no contested issues. There is no statutory deadline for this proceeding.

13. The Murchison Exchange is within 22-miles of the Tyler, Lindale, Van, and Whitehouse Exchanges.

14. An affirmative vote of 90.5 percent of those subscribers that voted in the balloting favored expanding local calling scope from the Murchison Exchange to the Tyler Exchange. An affirmative vote of 72.9 percent of those subscribers that voted in the balloting favored expanding local calling scope from the Murchison Exchange to the Lindale Exchange. An affirmative vote of 78 percent of those subscribers that voted in the balloting favored expanding local calling scope from the Murchison Exchange to the Van Exchange. An affirmative vote of 71.5 percent of those subscribers that voted in the balloting favored expanding local calling scope from the Murchison Exchange to the Whitehouse Exchange.

15. The Murchison Exchange is a small community with a population of less than 1,000 people. Most of the business services, including medical providers, hospitals, employment, governmental and legal services, and commercial centers must be sought in the towns of Tyler, Whitehouse, and Lindale.

16. The Murchison Exchange has limited services. The Exchange does not contain any automobile dealers, major department stores, supermarkets, entertainment facilities, or areas for extracurricular activities for children. There are only a couple of service stations in the Exchange.

17. Tyler, Lindale, and Whitehouse have the shopping and dining centers, social security services, physicians, major hospitals, lawyers, politicians' offices, and other general services for the Murchison Exchange.

18. Citizens of the Murchison Exchange commute daily to Tyler, Lindale, or Whitehouse for employment and to attend junior colleges and universities.

19. Many of the children in the Murchison Exchange attend school in the Van Independent School district.

20. There is a community of interest between the Murchison Exchange and the Van Exchange. The exchanges are within 22 miles of each other. In addition, the petitioners proved a community of interest with the Van Exchange in the following ways: affirmative vote of the subscribers returning ballots and commonality in the school district.

21. There is a community of interest between the Murchison Exchange and the Tyler, Lindale, and Whitehouse Exchanges. The exchanges are within 22 miles of each other. In addition, the petitioners proved a community of interest with the the Tyler, Lindale, and Whitehouse Exchange in the following ways: affirmative vote of the subscribers returning ballots; commonality as a commercial and employment center; and commonality of medical providers and hospitals.

22. No issues of law or fact are disputed by any party.

23. No hearing on the merits or Commission action is necessary and administrative review is warranted.

Conclusions of Law

1. The Commission has jurisdiction in this proceeding pursuant to the Public Utility Regulatory Act of 1995, S.B. 319, §§ 1.101, 3.051, 3.151, 3.155, 2.201, 3.251, and 3.304, 74th Leg., R.S. 1995.
2. The standards for community of interest for ELCS in Texas are established in § 3.304(a)(2) of PURA and in P.U.C. SUBST. R. 23.49(c)(3).
3. Pursuant to P.U.C. SUBST. R. 23.49(c)(11), ELCS petitions filed prior to the adoption of P.U.C. SUBST. R. 23.49(c) must satisfy the criteria contained within the rule.
4. To meet the community of interest standard, P.U.C. SUBST. R. 23.49(c)(3)(B) and § 3.304(a)(2) of PURA require a petitioning exchange to have either a contiguous boundary with the petitioned exchange or require the exchanges covered by the petition to be within a distance of 22 miles of each other. As established in Finding of Fact No. 13, the petitioning exchange satisfies the requirement.
5. P.U.C. SUBST. R. 23.49(c)(3)(C) provides that if the exchanges are greater than 22 miles apart, but less than 50 miles, the petitioners must show a community of interest through schools, hospitals, local governments, business centers, or other relationships so that, without ELCS, a hardship on the residents of the petitioning exchange would occur.
6. An ELCS docket that has the two exchanges within 22 miles of each other or which are contiguous to each other constitutes a *per se* showing of community of interest. Judge Greene requires, however, a greater showing of community of interest in order to grant a waiver of the MFJ; thus, the Commission shall address additional findings of a community of interest between the exchanges in this type of proceeding.
7. A community of interest standard similar to P.U.C. SUBST. R. 23.49(b)(2) is not applicable to proceedings involving ELCS.

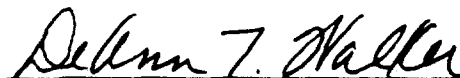
8. The standards contained within § 3.304(a)(2) of PURA and P.U.C. SUBST. R. 23.49(c)(3)(B) apply to both contested and uncontested ELCS proceedings.
9. P.U.C. SUBST. R. 23.49(c)(5)(D)(ii) and § 3.304 of PURA require an affirmative vote of at least 70 percent of those subscribers returning ballots to establish a community of interest. The statute and rule do not require an affirmative vote of at least 70 percent of all subscribers in the exchange.
10. This petition does not constitute a major rate proceeding as defined by P.U.C. PROC. R. 22.2.
11. All requirements for administrative review under P.U.C. PROC. R. 22.32(a) have been satisfied; therefore, the proposed petition may be approved by a Hearings Officer under the administrative review provisions of P.U.C. PROC. R. 22.32 as authorized by § 1.101(d) of PURA.

In accordance with the findings of fact and conclusions of law, the Commission issues the following Interim Order:

1. The petitioners in the petition filed by the Edom-Brownsboro Exchange for expanded local calling service to the Van, Tyler, Mineola, Lindale, Whitehouse, and Owentown Exchanges have shown a community of interest between the exchanges.
2. Within thirty (30) days of this Interim Order, GTE Southwest, Inc. (GTE) and Southwestern Bell Telephone Company (SWB) are **DIRECTED** to file a request for a waiver of the Modified Final Judgment with the Department of Justice or Judge Harold H. Greene, as appropriate.
3. Within thirty (30) days of the receipt of the ruling by Judge Greene, GTE and SWB are **DIRECTED** to file Judge Greene's judgment in this docket.

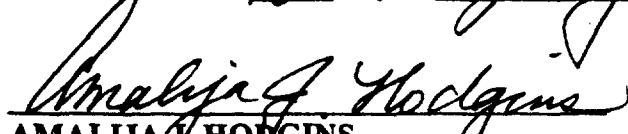
4. This Interim Order is effective August 8, 1995.

Respectfully submitted,



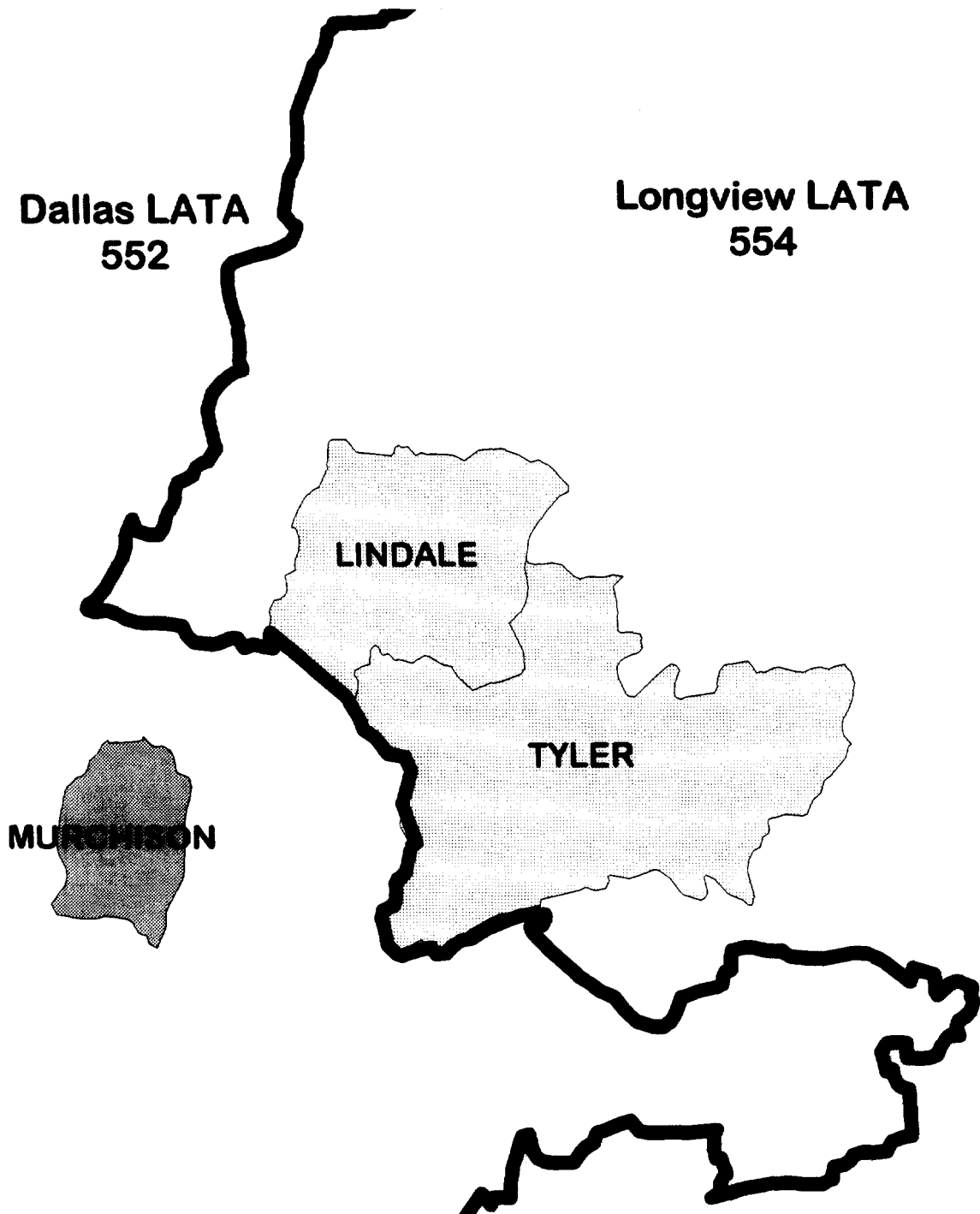
DEANN T. WALKER
ADMINISTRATIVE LAW JUDGE

APPROVED this 18th day of July 1995.



AMALIJA J. HODGINS
ACTING DIRECTOR OF HEARINGS

Murchison To Tyler and Lindale



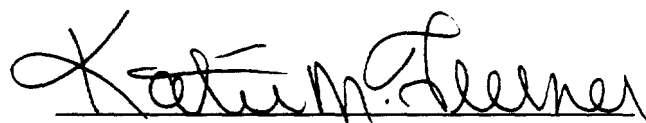
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-  Sprint/United Telephone Exchange
-  Southwestern Bell Telephone Exchanges

This document was produced by the Texas Exchange Carrier Relations organization of Southwestern Bell Telephone Company on 7/1/97, based on the best information it could obtain from other sources at that time. In addition, it is the Telephone Company's understanding that the data underlying the creation of this document may be subject to change. Southwestern Bell makes no representation as to the accuracy of the information provided to it and used to create this document.

CERTIFICATE OF SERVICE

I, Katie M. Turner, hereby certify that the foregoing, "PETITION OF SOUTHWESTERN BELL TELEPHONE COMPANY" in Docket No. 96-159 has been filed this 29th day of August, 1997 to the Parties of Record.

A handwritten signature in cursive script, reading "Katie M. Turner", written over a horizontal line.

Katie M. Turner

August 29, 1997

Texas Public Utility Commission
1701 North Congress
Austin, Texas 78701